



## INDEPENDENT AUDITOR'S REPORT

### Graythwaite Charitable Trust

To Members of the New South Wales Parliament

#### Opinion

I have audited the accompanying financial statements of Graythwaite Charitable Trust (the Trust) which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, and notes to the financial statements, including a Statement of Material Accounting Policy Information, and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (GSF Regulation) and the Treasurer's Directions
- present fairly the Trust's financial position, financial performance and cash flows.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Trust in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **The Secretary's Responsibilities for the Financial Statements**

The Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions. The Secretary's responsibility also includes such internal control as the Secretary determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Trust carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Michael Kharzoo  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

10 October 2024  
SYDNEY

# Graythwaite Charitable Trust

Statement by the Accountable Authority  
for the year ended 30 June 2024



We state, pursuant to section 7.6(4) of the *Government Sector Finance Act 2018* ('GSF Act'):

1. The financial statements of the Graythwaite Charitable Trust for the year ended 30 June 2024 have been prepared in accordance with:
  - a. Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
  - b. applicable requirements of the GSF Act, the *Government Sector Finance Regulation 2024*; and
  - c. Treasurer's Directions issued under the GSF Act.
2. The financial statements present fairly Graythwaite Charitable Trust's financial position as at 30 June 2024 and the financial performance and cash flows for the year then ended; and
3. We are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

A handwritten signature in black ink, appearing to read "Susan Pearce".

Susan Pearce AM  
**Secretary, NSW Health**

10 October 2024

A handwritten signature in black ink, appearing to read "Steve Carr".

Steve Carr  
**Acting Deputy Secretary, Financial Services  
and Asset Management and Chief Financial  
Officer, NSW Health**

10 October 2024

# Graythwaite Charitable Trust

## Statement of Comprehensive Income for the year ended 30 June 2024

	Notes	Actual 2024 \$000	Actual 2023 \$000
<b>Continuing operations</b>			
<b>Expenses excluding losses</b>			
Depreciation	2	1,245	1,218
<b>Total expenses excluding losses</b>		<b>1,245</b>	<b>1,218</b>
<b>Revenue</b>			
Investment revenue	3	383	255
<b>Total revenue</b>		<b>383</b>	<b>255</b>
<b>Operating result</b>		<b>(862)</b>	<b>(963)</b>
<b>Net result from continuing operations</b>		<b>(862)</b>	<b>(963)</b>
Net result from discontinued operations		-	-
<b>Net result</b>		<b>(862)</b>	<b>(963)</b>
<b>Other comprehensive income</b>			
Changes in revaluation surplus of property, plant and equipment	5	1,807	(1,581)
<b>Total other comprehensive income</b>		<b>1,807</b>	<b>(1,581)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>945</b>	<b>(2,544)</b>

The accompanying notes form part of these financial statements.

# Graythwaite Charitable Trust

Statement of Financial Position as at 30 June 2024

	Notes	Actual 2024 \$000	Actual 2023 \$000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	9,235	8,852
<b>Total current assets</b>		<b>9,235</b>	<b>8,852</b>
<b>Non-current assets</b>			
Property, plant and equipment	5		
- Land and buildings		44,482	43,903
- Plant and equipment		-	17
Total property, plant and equipment		44,482	43,920
<b>Total non-current assets</b>		<b>44,482</b>	<b>43,920</b>
<b>Total assets</b>		<b>53,717</b>	<b>52,772</b>
<b>LIABILITIES</b>			
<b>Total liabilities</b>		-	-
<b>Net assets</b>		<b>53,717</b>	<b>52,772</b>
<b>EQUITY</b>			
Reserves		21,761	19,954
Accumulated funds		31,956	32,818
<b>Total Equity</b>		<b>53,717</b>	<b>52,772</b>

The accompanying notes form part of these financial statements.

# Graythwaite Charitable Trust

Statement of Changes in Equity for the year ended 30 June 2024

		Accumulated	Asset Revaluation	
	Notes	Funds \$000	Surplus \$000	Total \$000
<b>Balance at 1 July 2023</b>		<b>32,818</b>	<b>19,954</b>	<b>52,772</b>
<b>Net result for the year</b>		(862)	-	(862)
<b>Other comprehensive income:</b>				
Net change in revaluation surplus of property, plant and equipment	5	-	1,807	1,807
<b>Total other comprehensive income</b>		-	<b>1,807</b>	<b>1,807</b>
<b>Total comprehensive income for the year</b>		<b>(862)</b>	<b>1,807</b>	<b>945</b>
<b>Balance at 30 June 2024</b>		<b>31,956</b>	<b>21,761</b>	<b>53,717</b>

		Accumulated	Asset Revaluation	
	Notes	Funds \$000	Surplus \$000	Total \$000
<b>Balance at 1 July 2022</b>		<b>33,781</b>	<b>21,535</b>	<b>55,316</b>
<b>Net result for the year</b>		(963)	-	(963)
<b>Other comprehensive income:</b>				
Net change in revaluation surplus of property, plant and equipment	5	-	(1,581)	(1,581)
<b>Total other comprehensive income</b>		-	<b>(1,581)</b>	<b>(1,581)</b>
<b>Total comprehensive income for the year</b>		<b>(963)</b>	<b>(1,581)</b>	<b>(2,544)</b>
<b>Balance at 30 June 2023</b>		<b>32,818</b>	<b>19,954</b>	<b>52,772</b>

The accompanying notes form part of these financial statements.

# Graythwaite Charitable Trust

Statement of Cash Flows for the year ended 30 June 2024

	Notes	Actual 2024 \$000	Actual 2023 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Interest received		383	255
<b>Total receipts</b>		<b>383</b>	<b>255</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	7	<b>383</b>	<b>255</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		-	-
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		-	-
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		383	255
Opening cash and cash equivalents	4	8,852	8,597
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	4	<b>9,235</b>	<b>8,852</b>

The accompanying notes form part of these financial statements.

# Graythwaite Charitable Trust

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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### 1. Statement of Material Accounting Policy Information

#### a) Reporting entity

The Graythwaite Charitable Trust (the Trust) was incorporated on 1 July 2009 by Trust Deed. The Trustee of the Graythwaite estate is King Charles III, who acts through the Minister for Health.

The Trust encompasses the property, plant and equipment of the Graythwaite Rehabilitation Facility opened on 19 September 2013, together with the residual proceeds from the sale of the former Graythwaite Nursing Home.

The Trust is a NSW Government entity and is controlled by the Ministry of Health, which is the immediate parent. The reporting entity is also controlled by the State of New South Wales, which is the ultimate parent. The Trust is a not for profit entity (as profit is not its principle objective) and is consolidated as part of the NSW Total State Sector Accounts.

These financial statements for the year ended 30 June 2024 have been authorised for issue by the Secretary, NSW Health on 10 October 2024.

#### b) Basis of preparation

The Trust's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with:

- applicable Australian Accounting Standards (AAS) (which include Australian Accounting Interpretations);
- applicable requirements of the *Government Sector Finance Act 2018* ('GSF Act'), the *Government Sector Finance Regulation 2024*; and
- Treasurer's Directions issued under the GSF Act.

The financial statements of the Trust have been prepared on a going concern basis.

Property, plant and equipment are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Trust's presentation and functional currency.

#### c) Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards which include Australian Accounting Interpretations.

#### d) Comparative Information

Except when an Australian Accounting Standards permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.

#### e) Changes in accounting policy, including new or revised Australian Accounting Standards

##### (i) Effective for the first time in 2023-24

The Trust applied AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates for the first time in 2023-24. The amendment requires reporting entities to disclose only 'material' accounting policies, rather than 'significant' accounting policies. This amendment has led to removal of several previously disclosed accounting policies that were not considered material.

Apart from the above noted change, the accounting policies applied in 2023-24 are consistent with those of the previous financial year.



# Graythwaite Charitable Trust

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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### 1. Statement of Material Accounting Policy Information (continued)

#### e) Changes in accounting policy, including new or revised Australian Accounting Standards (continued)

##### (ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards (AAS), unless NSW Treasury determines otherwise.

The following new AAS has not been applied and is not yet effective:

- AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

AASB 2022-10 amends AASB 13 Fair Value Measurement for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. For these assets, AASB 2022-10 clarifies when an entity is required to consider whether the asset's highest and best use differs from its current use, under what circumstances the asset's use is considered 'financially feasible', and when an entity should use its own assumptions as a starting point in developing unobservable inputs. AASB 2022-10 also provides guidance on how the cost approach is to be applied to measure the asset's fair value. The standard applies prospectively to annual periods beginning on or after 1 January 2024. The impact of the standard is yet to be determined by the Trust.

# Graythwaite Charitable Trust

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

### 2. Depreciation

	Actual 2024 \$000	Actual 2023 \$000
Depreciation - buildings	1,228	1,153
Depreciation - plant and equipment	17	65
	<b>1,245</b>	<b>1,218</b>

Refer to Note 5 Property, plant and equipment for recognition and measurement policies on depreciation.

### 3. Investment revenue

	Actual 2024 \$000	Actual 2023 \$000
Interest income from financial assets at amortised cost	383	255
	<b>383</b>	<b>255</b>

#### Recognition and Measurement

##### *Interest income*

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For financial assets that become credit impaired the effective interest rate is applied to the amortised cost of the financial asset (i.e. after deducting the loss allowance for expected credit losses).

### 4. Cash and cash equivalents

	Actual 2024 \$000	Actual 2023 \$000
Cash at bank and on hand	9,235	8,852
	<b>9,235</b>	<b>8,852</b>

All cash balances are subject to restrictions imposed by the requirements of the Trust Deed and are therefore not available for general use by the Trust.

# Graythwaite Charitable Trust

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

### 5. Property, plant and equipment

#### (a) Total property, plant and equipment

	Land and Buildings \$000	Plant and Equipment <sup>1</sup> \$000	Total \$000
<b>As at 30 June 2024</b>			
Gross carrying amount	58,477	651	59,128
Less: accumulated depreciation and impairment	13,995	651	14,646
<b>Net carrying amount</b>	<b>44,482</b>	<b>-</b>	<b>44,482</b>
	Land and Buildings \$000	Plant and Equipment <sup>1</sup> \$000	Total \$000
<b>As at 30 June 2023</b>			
Gross carrying amount	56,056	651	56,707
Less: accumulated depreciation and impairment	12,153	634	12,787
<b>Net carrying amount</b>	<b>43,903</b>	<b>17</b>	<b>43,920</b>

<sup>1</sup> For non-specialised assets with short useful lives, recognition at depreciated historical cost is regarded as an acceptable approximation of fair value, in accordance with Treasury Policy Paper 21-09.

#### Total property, plant and equipment - reconciliation

A reconciliation of the carrying amount for each class of property, plant and equipment is set out below:

	Land and Buildings \$000	Plant and Equipment \$000	Total \$000
<b>Year ended 30 June 2024</b>			
Net carrying amount at beginning of year	43,903	17	43,920
Net revaluation increments less revaluation decrements	1,807	-	1,807
Depreciation expense	(1,228)	(17)	(1,245)
<b>Net carrying amount at end of period</b>	<b>44,482</b>	<b>-</b>	<b>44,482</b>

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 6.

	Land and Buildings \$000	Plant and Equipment \$000	Total \$000
<b>Year ended 30 June 2023</b>			
Net carrying amount at beginning of year	46,637	82	46,719
Net revaluation increments less revaluation decrements	(1,581)	-	(1,581)
Depreciation expense	(1,153)	(65)	(1,218)
<b>Restated net carrying amount at end of year</b>	<b>43,903</b>	<b>17</b>	<b>43,920</b>

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 6.

# Graythwaite Charitable Trust

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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### 5. Property, plant and equipment (continued)

#### (b) Property, plant and equipment held and used by the Trust

The Trust has no property, plant and equipment where it is the lessor under operating leases. All property, plant and equipment balances are for items held by the Trust who has granted the right of the use of this facility to Northern Sydney Local Health District.

#### Recognition and Measurement

##### **Acquisition of property, plant and equipment**

Property, plant and equipment acquired are initially recognised at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

##### **Capitalisation thresholds**

Property, plant and equipment assets costing \$10,000 and above individually (or forming part of a network costing more than \$10,000) are capitalised.

##### **Depreciation of property, plant and equipment**

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Trust. Land is not a depreciable asset. All material identifiable components of assets are depreciated over their useful lives.

Details of depreciation rates initially applied for major asset categories are as follows:

	<b>Useful lives</b>
Buildings	30-70 years
Plant and equipment	4-20 years

'Plant and equipment' comprise, amongst other things, medical, computer and office equipment, motor vehicles and furniture and fittings.

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period and adjusted if appropriate.

##### **Revaluation of property, plant and equipment**

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 21-09) and Treasurer's Direction, 'Valuation of Physical Non-Current Assets at Fair Value' (TD 21-05). TPP 21-09 and TD 21-05 adopt fair value in accordance with AASB 13 Fair Value Measurement and AASB 116 Property, Plant and Equipment.

# Graythwaite Charitable Trust

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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### 5. Property, plant and equipment (continued)

#### Recognition and Measurement (continued)

##### *Revaluation of property, plant and equipment (continued)*

Property, plant and equipment is measured at the highest and best use by market participant's that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and takes into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Revaluations are made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The Trust conducts a comprehensive revaluation at least every three years for its land and buildings. Interim desktop revaluations are conducted between comprehensive revaluations for those assets, where cumulative changes to indicators suggest fair value may differ materially from carrying value. The Trust uses an independent professionally qualified valuer for market indices.

The last comprehensive revaluation was completed on 31 December 2022 and was based on an independent assessment.

Indices were subsequently obtained from external professionally qualified valuers since the last comprehensive revaluation. Indices obtained indicated a cumulative increase of 2.00% in market prices for land and material increases in construction and labour costs of 8.75% for buildings. Management has applied these indices to perform an interim revaluation and has recognised the resulting revaluation increment for land and buildings in 2023 and 2024.

For other assets valued using other valuation techniques, any balances of accumulated depreciation existing at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

# Graythwaite Charitable Trust

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

### 6. Fair value measurement of non-financial assets

#### Fair value measurement and hierarchy

A number of the Trust's accounting policies and disclosures require the measurement of fair values, for non-financial assets. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13 Fair Value Measurement, the Trust categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted (unadjusted) prices in active markets for identical assets / liabilities that the entity can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The Trust recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### (a) Fair value hierarchy

	Level 1	Level 2	Level 3	Total Fair Value
2024	\$000	\$000	\$000	\$000
Property, plant and equipment (Note 5)				
- Land and buildings	-	-	44,482	44,482
	-	-	44,482	44,482

There were no transfers between level 1 and 2 during the year ended 30 June 2024.

	Level 1	Level 2	Level 3	Total Fair Value
2023	\$000	\$000	\$000	\$000
Property, plant and equipment (Note 5)				
- Land and buildings	-	-	43,903	43,903
	-	-	43,903	43,903

There were no transfers between level 1 and 2 during the year ended 30 June 2023.

# Graythwaite Charitable Trust

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

### 6. Fair value measurement of non-financial assets (continued)

#### (b) Valuation techniques, inputs and processes

For land, buildings and infrastructure systems the Trust obtains external valuations by independent valuers at least every three years. The last revaluation was performed by Opteon Property Group Pty Ltd for the 2022-23 financial year. Opteon Property Group Pty Ltd is an independent entity and is not an associated entity of the Trust.

At the end of each reporting period a fair value assessment is made on any movements since the last revaluation, and a determination as to whether any adjustments need to be made. These adjustments are made by way of application of indices (refer to Note 5).

The non-current assets categorised in (a) above have been measured as level 3 based on the following valuation techniques and inputs:

- For land, the valuation by the valuer is made on a market approach, comparing similar assets (not identical) and observable inputs. The most significant input is price per square metre.
- All of the restricted land are classified as level 3 as, although observable inputs have been used, a significant level of professional judgement is required to adjust inputs in determining the land valuations. Certain parcels of land have zoning restrictions, for example hospital grounds, and values are adjusted accordingly.
- For buildings and infrastructure, many assets are of a specialised nature or use, and thus the most appropriate valuation method is depreciated replacement cost. These assets are included as level 3 as these assets have a high level of unobservable inputs.

#### (c) Reconciliation of recurring Level 3 fair value measurements

	Land and Buildings \$000	Total Level 3 Recurring \$000
<b>2024</b>		
<b>Fair value as at 1 July 2023</b>	43,903	43,903
Revaluation increments / (decrements) recognised in other comprehensive income – included in line item 'Changes in revaluation surplus of property, plant and equipment' (Note 5)	1,807	1,807
Depreciation expense	(1,228)	(1,228)
<b>Fair value as at 30 June 2024</b>	<b>44,482</b>	<b>44,482</b>

There were no transfers between level 1 or 2 during the year ended 30 June 2024.

	Land and Buildings \$000	Total Level 3 Recurring \$000
<b>2023</b>		
<b>Fair value as at 1 July 2022</b>	46,637	46,637
Revaluation increments / (decrements) recognised in other comprehensive income – included in line item 'Changes in revaluation surplus of property, plant and equipment' (Note 5)	(1,581)	(1,581)
Depreciation expense	(1,153)	(1,153)
<b>Fair value as at 30 June 2023</b>	<b>43,903</b>	<b>43,903</b>

There were no transfers between level 1 or 2 during the year ended 30 June 2023.

# Graythwaite Charitable Trust

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

### 7. Reconciliation of cash flows from operating activities to net result

Reconciliation of cash flows from operating activities to the net result as reported in the Statement of Comprehensive Income as follows:

	Actual 2024 \$000	Actual 2023 \$000
Net cash used on operating activities	383	255
Depreciation and amortisation expense	(1,245)	(1,218)
<b>Net result</b>	<b>(862)</b>	<b>(963)</b>

### 8. Financial instruments

The Trust's principal financial instruments are outlined below. These financial instruments arise directly from the Trust's operations or are required to finance its operations. The Trust does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Trust's main risks arising from financial instruments are outlined below, together with the Trust's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Secretary, NSW Health has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Trust, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed on a continuous basis.

#### (a) Financial instrument categories

Class	Category	Carrying Amount 2024 \$000	Carrying Amount 2023 \$000
<b>Financial Assets</b>			
Cash and cash equivalents (Note 4)	Amortised cost	9,235	8,852
<b>Total Financial Assets</b>		<b>9,235</b>	<b>8,852</b>

The Trust determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

#### (b) Financial risk

##### i. Credit risk

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to the Trust. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for credit losses).

Credit risk arises from financial assets of the Trust, including cash. No collateral is held by the Trust. The Trust has not granted any financial guarantees.

Credit risk associated with the Trust's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.



# Graythwaite Charitable Trust

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

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### 8. Financial instruments (continued)

#### (b) Financial risk (continued)

##### ii. Liquidity risk

Liquidity risk is the risk that the Trust will be unable to meet its payment obligations when they fall due. The Trust continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances.

The Trust has no loans with the Ministry of Health, NSW Treasury or any external party.

During the current and prior year, there were no defaults of loans payable. No assets have been pledged as collateral.

##### iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Trust has no exposure to foreign currency risk, interest rate risk or other price risks as the Trust has no other financial asset or liability, except for cash and cash equivalents which is not impacted by any market risk.

### 9. Commitments, contingent assets and contingent liabilities

At reporting date, there are no known contingent liabilities, contingent assets or commitments.

### 10. Related party disclosures

#### (a) Key management personnel compensation

Compensation for the Minister for Health is paid by the Legislature and is not reimbursed by the Ministry of Health and its controlled entities. The compensation for the Minister for Health is disclosed in the financial statements of the ultimate parent.

Remuneration for the Secretary and Deputy Secretaries are paid by the Ministry of Health and is not reimbursed by the health entities.

#### (b) Transactions with key management personnel and their close family members

There were no transactions with key management personnel and their close family members (2023: \$Nil).

#### (c) Transactions Trust had with government related entities during the financial year

The Trust has granted the right of the use of its entire facility to Northern Sydney Local Health District, an entity controlled by the immediate parent, free of charge.

There were no transactions with the ultimate parent during the year.

### 11. Events after the reporting period

No other matters have arisen subsequent to balance date that would require these financial statements to be amended.

**END OF UNAUDITED FINANCIAL STATEMENTS**